

## REMARKS

Claims 1 - 6 and 10 - 14 are in the application. Claims 1, 2, 4 - 6, 10, 13, and 14 were previously presented; claims 3, 11, and 12 remain unchanged from the original versions thereof; and claims 7 - 9 and 15 are canceled. Claims 1 and 10 are the independent claims herein.

No new matter has been added to the application. Reconsideration and further examination are respectfully requested.

### **Claim Rejections – 35 USC § 103**

Claims 1 - 6 and 10 - 14 were rejected under 35 U.S.C. 103(a) as being unpatentable over Foladare et al. U.S. Patent No. 5,914,472 (hereinafter, "Foladare"). This rejection is respectfully traversed.

Applicant notes that claim 1 relates to a method including the operations of receiving information identifying a payment account having at least one of an account-level and a corporate-level restriction on use; identifying an earlier authorization request that involved the payment account, where the earlier authorization request was declined for a prior purchase transaction for failing to comply with the at least one of an account-level and a corporate-level restriction on use; and creating a manual authorization record for the payment account and the purchase transaction using information from the earlier authorization request, the manual authorization record temporarily overriding the at least one of an account-level and a corporate-level restriction on use and allowing approval of a second authorization request involving the payment account and the purchase transaction. Claim 10 is, in relevant part relative to the pending rejection, worded similar to claim 1.

Applicant emphasizes that the claimed method clearly recites receiving information identifying a payment account having at least one of an account-level and a corporate-level restriction on use and identifying an earlier authorization request that

involved the payment account, where the earlier authorization request was declined for a prior purchase transaction for failing to comply with the at least one of an account-level and a corporate-level restriction on use. Applicant further submits that the claimed "payment account having at least one of an account-level and a corporate-level restriction on use" is clearly disclosed and defined in the Specification and that the claims are consistent with the Specification wherein it is disclosed,

[0013] Prior to embarking on a detailed description of features of the present invention, a brief illustrative example will be presented. In this illustrative example, a financial institution ("Bank") has issued a number of purchasing cards to employees of a company ("Company"). All of the purchasing cards are associated with individual credit accounts, each representing obligations of Company. To minimize the potential for misuse of the purchasing cards, Company has established a number of corporate-level purchasing controls for the program. For example, none of Company's purchasing cards may be used to make purchases at certain blocked merchant categories (as defined by specific or a range of merchant category codes or "MCCs").

[0014] Further, Company has established a number of account-level purchasing controls associated with each individual purchasing card. For example, certain purchasing cards are associated with controls allowing them to be used only at certain types of travel or entertainment merchants (again, as defined by specific or a range of MCCs). Other purchasing cards are associated with controls allowing them to be used for transactions involving low dollar amounts. Each of the account-level controls are enforced on a transaction-by-transaction basis in response to authorization requests submitted by a merchant. These corporate- and account-level controls are commonly used in existing purchasing card programs. (emphasis added) (See Specification, paragraphs [0013] – [0014])

Thus, it is clear that the claimed "payment account having at least one of an account-level and a corporate-level restriction on use" limits the merchant categories for which the payment account may be used, either at a corporate-level (all of a company's purchasing cards) or at an account-level (i.e., an individual cardholder's purchasing card). Applicant's claims also further claim "where the earlier authorization request was declined for a prior purchase transaction for failing to comply with the at least one of an account-level and a corporate-level restriction on use".

However, contrary to the pending claims the cited and relied upon Foladare fails to disclose or even suggest the claimed "payment account having at least one of an account-level and a corporate-level restriction on use" and "where the earlier authorization request was declined for a prior purchase transaction for failing to comply with the at least one of an account-level and a corporate-level restriction on use". Instead, Foladare explicitly discloses,

The present invention is directed to a unique system and method for controlling spending limits of card users holding ancillary credit or debit type transaction cards. A transaction card account holder may authorize the issuance of an ancillary transaction card to a card user. The account holder, who is the responsible person for the account, may also set a spending limit on the ancillary card, thereby restricting the spending power of the ancillary card user. The account holder may be a parent, and the card user may be a child. FIG. 1 is a flow chart illustrating the steps generally taken in this invention when an ancillary card is used for the procurement of goods, services or distribution of currency. (emphasis add) (Foladare, col. 3, ln. 66 – col. 4, ln. 10)

and

The remote transaction service provider receives the transaction card information and transaction amount as entered by the merchant at step 100 and proceeds to retrieve account information related to the transaction card at step 104. The remote transaction service provider, also known as the central computer, determines at step 106 whether the transaction amount as entered by the merchant at step 100 exceeds the available credit for this ancillary card at step 106. If the ancillary card transaction amount has not exceeded the predetermined account holder limit, the transaction is approved and an approval code transmitted to the merchant at step 108. If the ancillary card transaction amount exceeds the predetermined account holder spending limit, the central computer retrieves from the database a phone number, pager number or other personal communications number for the account holder at step 110. In step 112, the central computer initiates contact with the account holder. When contact with the account holder is established, the central computer transmits display or voice request informing the account holder that an ancillary card is being used for a transaction, and that the transaction has exceeded the predetermined spending limit according to step 114. (emphasis add) (Foladare, col. 4, ln. 27 - 45)

Thus, it is clear from the plain and explicit disclosure of Foladare that purchase authorizations for an ancillary card are approved/refused based strictly on a

“predetermined spending limit” associated with the ancillary card. That is, whether a payment authorization for a purchase using the ancillary card is approved or refused is determined based on whether the predetermined spending limit for the ancillary card is exceeded. This factual aspect of Fomadare is further illustrated in the flow diagram of FIG. 1., specifically at step 106 wherein the determination whether to approve a purchase is made strictly based on whether the spending limit is exceeded (See “amount exceed” at decision point 106).

Therefore, it is clear that Fomadare fails to disclose or even suggest the claimed “receiving information identifying a payment account having at least one of an account-level and a corporate-level restriction on use” and “where the earlier authorization request was declined for a prior purchase transaction for failing to comply with the at least one of an account-level and a corporate-level restriction on use”. This fact is true since Fomadare instead explicitly and exclusively discloses receiving a transaction amount and determining a payment authorization for the transaction based strictly on whether the predetermined spending limit is exceeded.

Accordingly, Applicant respectfully submits that Fomadare fails to teach or suggest features of the present invention as claimed in claims 1 and 10, as required for an obviousness rejection under 35 USC 103(a). Applicant further submits that claims 2 - 6 depending from claim 1 and claims 11 - 14 depending from claim 10 are also patentable over Fomadare for at least depending from a patentable base claim.

## CONCLUSION

Accordingly, Applicants respectfully request allowance of the pending claims. If any issues remain, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is kindly invited to contact the undersigned via telephone at (203) 972-5985.

Respectfully submitted,

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Date

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